Interview with Edwin Cronk

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR EDWIN CRONK

Interviewed by: Charles Stuart Kennedy

Initial interview date: November 7, 1988

Q: Mr. Ambassador, how did you become interested in foreign affairs?

CRONK: Well, Stuart, probably more accidental than anything else. After the war, World War II that is, I came briefly back to the United States from Japan, where I served right at the end—shortly after the war—at the time of the armistice, and a couple of months after that. And I returned to Japan in 1947, I guess, to work in SCAP headquarters—that's MacArthur headquarters. That's Supreme Command for Allied Powers. I worked specifically on the feeding program, trying to get enough food to keep the Japanese going, and program it in a sensible way. I was part of the Price and Distribution Division.

Q: Just to go back quickly—were you a civilian at the time?

CRONK: Yes.

Q: But prior to that, what sort of training had you had—college education, and all that?

CRONK: Well, I went to Cornell University. First a little college out in California, called Deep Springs. I went there three years; and got my degree at Cornell in economics, essentially. But not any great depth to it, it was just a B.A. At the end of that time the war

had broken out, and I was quite healthy, and obviously a prime candidate for the draft. So I left Cornell after I graduated. And sure enough, a year or so later I was drafted, and served in the Far East—Australia, New Guinea, Philippines, and Japan.

Q: In the army?

CRONK: In the Air Force. So my formal training, at that point, was just a bachelor's degree, with some emphasis on economic affairs—which I pursued, of course, during my whole career.

Q: Then we'll go back to Japan. You were saying . . .

CRONK: In Japan I was in charge of the food import program; trying to figure out what—in volume—the Japanese needed, to keep a reasonable standard of food consumption. To justify that with the State Department, and the Pentagon, and through the Bureau of the Budget, get the money appropriated. Then people programed the expenditure of those funds. Wheat was the main import, but some other foods as well. Some soy beans, and eventually we got some rice imported. It was a relief feeding program, and I did the arithmetic on what was needed. I was a civilian employee in an army headquarters, because MacArthur was still active there, and it didn't switch over till after the armistice. So when we resumed normal diplomatic ties, there was a diplomatic establishment there but it did consular work essentially; MacArthur basically ignored anything else that they might give in the way of advice. So it was purely an administrative operation, with strong army leadership. Actually, quite capable leadership, I thought. And a good sprinkling of civilian employees—employees of the Department of the Army.

I worked there for about two years, and then the people in the Pentagon I had worked with on this budget business asked me to come to Washington, to do the same thing essentially, at the Washington end—pursuing the budgetary process for the Japanese AID program. I did that for about a year and a half. In that job I worked very closely with the

State Department, because they had to approve of every budget presentation, and help defend it before the Bureau of the Budget, and the Congress.

I met U. Alexis Johnson, who was then Director of Japanese and Korean Affairs in the Department; and his assistant, Noel Hemmendinger, who was the Japanese Desk Officer. They, at one stage, needed people to perform their function. They had no real economists working for them, and the Japanese economic problem was growing. After about a year and a half at the Pentagon, they offered me a job—to come over and take over the Japanese Economic Affairs Desk.

So I rolled with the punch. It sounded like an interesting proposition. I moved over to State then, in about 1953, I think it was. So to answer your question, I think I got into the Foreign Service by accident. I got a succession of job offers: first, going to Japan; then going to the Pentagon; then going to the State Department—offers I hadn't sought. I ended up being "Wristonized" along about 1954, or '55. Since I worked in the Japanese economic office, that also covered Korea, I then was sent off to Korea as the Economic Counselor in 1956.

Q: I might explain here, for the record, when someone is "Wristonized." There was a program by a former president of Brown University—wasn't it?

CRONK: Yes, I think he was at Brown; he was a presidential appointee. He tried to bring into the Foreign Service a lot of needed talent, particularly economic talent. With the Marshall Plan, and all of our economic responsibilities that fell on the State Department, they were not equipped in terms of personnel, to handle all of that.

Q: This was Mr. Wriston.

CRONK: Mr. Wriston. So the Congress, and the Department, made a decision that we ought to blanket in a lot of Civil Service employees, to beef up the Foreign Service—particularly in the economic area. And I was one of hundreds that were chosen, to apply.

And in a very—almost non-event—I was accepted. There wasn't any examination, really, except to ask you, “Do you want to join the Foreign Service?”

Q: That was the oral examination.

CRONK: It lasted about five minutes. So I got in the easy way, so to speak.

Q: But you'd already earned your credentials; you were a civil servant in the Department of State, dealing with Japanese affairs. We're talking about the early '50's. I have you hear from 1951 to 1956; and Chief of Japanese Financial Trade Affairs. What were your concerns in dealing with Japan on an economic basis, in the early '50's? The Korean War was in effect. How did you see Japanese-American financial relations—economic relations—in those days?

CRONK: At the beginning part of that period, when I came over from the Pentagon, they were still quite desperate for financial, economic assistance to sustain themselves. We used to kind of despair—how are we ever going to solve the problem of the Japanese economy? The AID program was essentially a relief operation; it wasn't a development program. We wondered, you know, what would it take to put the Japanese back on their feet, so they could begin manufacturing, and exporting, and getting more or less self-supporting.

Well, the Korean War eventually solved that problem, because Japan became the source of an enormous amount of material needed by our forces in Korea. Just the ordinary things, like cement, and barbed wire, and thousands of items. The Japanese began to crank up their small industry to supply these things. They had a shorter lead time in getting it delivered; and they worked like the devil to do it.

There was never anything like the Marshall Plan to provide them the wherewithal; but we supported this gearing up for wartime supply exercise by seeing that the orders were provided to the Japanese, and generally encouraged the whole effort. And at the end

of the Korean War they had, in effect, recovered from the devastation of the war. Small industries grew, and they were in pretty good shape at the end of the war. It was the wartime requirements that did it, rather than our AID program.

And, in the State Department we played a role in encouraging this process.

Q: Did anybody, while you were there, see any cloud on the horizon that this might turn into a Frankenstein monster, as far as the United States is concerned? I'm referring, of course, to the Japanese growth and the fact that it has become our principal competitor, and rival in the economic world.

CRONK: No, I don't think, Stew, any of us foresaw the kind of development that's taken place. We applauded the fact that they had helped in the war effort, and that they had benefitted from it; because over time that reduced the obligation we had, or we felt, to supply them with economic assistance. It wouldn't be until at least 15 years after that period, that they became a worldwide competitor, in such a broad range of products.

There was one area where we had some apprehensions, and that was in investment and trade policy; particularly in the investment area. A lot of business men would come to me, and say, “We would like to set up a widget factory in Japan. Can you help us?”

And it was quite evident early on that the Japanese—unless they needed something rather desperately, some technology or a business with a built-in export market attached to it—there was resistance to foreign investment and any kind of foreign involvement that they didn't think was necessary to their own economic growth.

Of course, we've seen that pattern develop ever since. They have not, essentially, had an open market for foreigners, and foreign investment is still a very difficult proposition for our people. So that was an increasing apprehension. There weren't a great number of American companies interested at that time, but a good many suppliers. I would have one or two in every week, saying, “Give us some advice on how to go about this.” And I did the

best I could. Many of them came back rather disappointed, saying, “Well, they've got this requirement, and I've got to do this,” or “They just won't talk to me.” That was a concern, which I guess was well founded. It turned out to be the real thing.

Q: I'm going to come back to this particular subject several times, here. But again looking at the early '50's, what was your impression of the caliber and the effectiveness of the people dealing with economic affairs in the State Department? This has always been a matter, as you know, of controversy. Often people say, you know, the Foreign Service and the State Department really don't pay enough attention to economic affairs. How did you find it, at that time?

CRONK: Well, I guess I would have to say that the caliber of people, or the depth of the talent in economic matters, was pretty limited. For example, in this Office of Japanese Economic Affairs—or in the whole office under U. Alexis, who was Director of both Japan and Korean affairs—there wasn't really one trained economist. I was the closest to it, because I'd at least had some training, and a good bit of experience dealing with these matters. But I was no Ph.D. in economics, and there wasn't anybody anywhere near the level of competence that I think was needed.

And dealing with other people in the Department, on problems—I would have to get cables cleared, and whatnot—I found a shortage, really, of talent and understanding about economic matters. And you can understand this, because before the Wriston Program—and before World War II—the Department didn't have a great deal of economic responsibility. And political, consular officers predominated—administrative people. A crackerjack economist was pretty hard to find. Now I think since then, the Wriston Program helped. It was a step forward, because it brought in a lot of people who had been working on economic matters, here and there, in the Department. But I think since then we've gone ahead quite nicely, and have more and more people who understand economics, and can deal with it effectively.

But at that time, it was a pretty sorry state of affairs. I remember going to Korea—after my Japanese experience—going to Korea, I don't think there was a person in the embassy—and it was a fairly sizable embassy—that really knew much about economic affairs. I was new to Korea, new to the Foreign Service essentially, because this was my first Foreign Service assignment. And I could write a telegram about anything almost, and get it cleared without any difficulty; the ambassador or the DCM would look at it, smile, and say, “That sounds good.” There was no expertise. But I think that has changed somewhat.

Q: You went to Seoul; you went there as chief of the economic section, and you were there from 1956 to 1960.

CRONK: Right.

Q: What were your responsibilities in that job, at that time?

CRONK: Well, I think I spent most of my time working on AID matters; we had a very large AID establishment, several hundred people doing virtually everything imaginable. The AID program was $350,000,000 a year at the peak, but it was $200,000,000 plus for several years. And the ambassador—as head of the country team, and so on—of course, had overall responsibility for that, as well as other things. Although we did not administer the AID program, he told me to make sure that I went to all their high level meetings, and the meetings with the Koreans—where policy decisions were made. I was the liaison—the link between the embassy and the AID mission.

And I got along extremely well with Bill Warren, who was the head of the AID program most of the time I was there; and with the staff. I was, in effect, pretty well integrated into the AID organization. And there were a lot of policy questions that the ambassador would have to sign off on; he needed someone who could advise him—what are the facts, and what should we come down on? Level of aid, for example, was a perennial kind of

problem. Do we need more or less, what for, and so on. And he had to sign off on that. It fell to me to be that person who could keep track of things.

Q: The ambassador was Walter C. Dowling?

CRONK: Walter Dowling was there. When I arrived we had a charg# d'affaires, Strom, who went off to Cambodia after about six months of my tour. Then Walter Dowling came; and after him Walter McConaughy.

Q: Dowling you dealt with later on?

CRONK: Dowling then went back to the Department for about a year and a half, as Under Secretary for Political Affairs. Apparently he didn't like that much, and didn't like the bureaucratic rat race; and then became ambassador in Bonn.

Q: Speaking about Korea, first. How was he as an ambassador? What were his interests, as you saw it?

CRONK: He was a very good analyst, you might say, of the political scene, which of course revolved around Syngman Rhee. Rhee seemed to like him pretty much; he was frequently up at the mansion, and consulted with Rhee. Nobody had much influence on Rhee, including Dowling. Rhee did his own thing; it wasn't always in our interests. I can't fault Dowling for not having a good hold on Rhee; nobody ever solved that puzzle.

But he did have good relationships, and he knew the situation extremely well, as a fellow coming up on the political side would—primarily concerned with the overall political scene. He knew little or nothing about economics; had very little influence on the AID program. I would say there were several problems. One was political corruption in the place, where Rhee ran things—or his people, through him—ran the country as they saw fit. There was no political democracy of any kind, and it was quite apparent to everybody that it was

sort of a dictatorial situation. The economy was just run, really, on a system of graft and corruption. It was rotten to the core; and again, we all knew it.

I guess I could fault Dowling, and McConaughy, and all of us—particularly the people in the AID agency—for not being stronger in terms of insisting that something be done to reduce the level of official corruption. For example, the exchange rate was way, way off a realistic limit. It would be hard to imagine what it might be, but it was such that there was no money to be made in exporting anything, because with the official exchange rate you wouldn't end up with enough to pay for your raw materials or your labor.

But millions could be made by importing anything; anything that was usable—say rice, or cement, or any of the basics. If you were one of the lucky ones to get an import permit, which was of course issued by the government, you were an instant millionaire! It was this distortion of the exchange rate which was one of the central problems, and we couldn't do anything about it. Now, I felt then—and I feel even more strongly now—that if we had just laid the law down, and said, “You either [adjust] the exchange rate, or we're going to cut the AID program back to the very bone, and let you take the consequences.” We could have been tougher, much tougher.

Q: Did this issue come up, either in Washington, or in the country team? Or was it just sort of a feeling, “Don't rock the boat?”

CRONK: Well, it came up often. We had a little group that I set up, of what we called the thinkers; and it was about four Americans from the AID agency, and our political counselor, and myself, and four young Koreans; one from the Bank of Korea, for example, and one from the Administration of Economic Affairs, and so on. We used to sit down about an evening a month, and talk about things, completely off the record. We more or less promised that we wouldn't telegram, or take action, or do anything as a result of these conversations; but just to try to figure out what we, respectably, could do, or how we might envisage the future, through frank exchange. And of course, the exchange rate was

always sort of central to that. We'd say if you could only quadruple your exchange rate, you might begin to export something.

These sort of technicians, on the Korean side, would agree with that, and say, “Yes, but... . . the political problem. It's hard to get Mr. Rhee to understand, or do anything about it.” So it was sort of a given; you got so you didn't dwell on it, because you were kind of beating your head against the wall. And everybody understood the problem. But we never forcefully took it to the government, and said, “Look, either shape up or we're going to do something about it.”

Q: Was this also reflected from Washington? Was it the fact that the Korean War was over, and nobody wanted to think about it particularly? Out of sight, out of mind?

CRONK: Well, Syngman Rhee was sort of a hero; in a sense a symbol of a democratic South Korea, even though it wasn't very democratic. But he had a very high rating in Washington; he was our man, so to speak. I think the feeling was we had to back him. And I guess, in the back of everybody's mind was give it time—it'll work it's way out. They'll see the way. You look at Korea, they finally got their act together with vengeance. But I think it's the Japanese who taught them the lessons, rather than ourselves.

Q: It seems to be a peculiar position. Here is the Chief of the Economic Section action as sort of the ambassador's man, as regards to the AID mission. You have the feeling that the AID mission existed almost by itself, and had a momentum all to itself; and that the ambassador's best hope was to have somebody who could tell him what was going on—almost as though you were his emissary to the AID mission. Is that unfair?

CRONK: That's about the way it was. He would go to dedications of projects—completion of projects. Bill Warren, who was head of the AID mission—Tyler Wood before him. He was one of the great guys. They would come to staff meetings, once a week—sort of the country team meetings—and, you know, explain rather briefly what was going on. That so and so was visiting, or the budget had been approved—just sort of the global things,

not any details—and rarely discuss a problem. So I was the one put in the hot seat, trying to bridge the gap there. The AID mission, as you suggested, did operate pretty much independently.

Q: Was this with the acquiescence of the ambassador, feeling they knew their business?

CRONK: Yes. I don't think Dowling objected to it; he realized that he couldn't get intimately involved in day to day things, and just didn't want to—didn't have the background for it for one thing. And he had—both in Tyler and Bill Warren—he had full confidence in them. They were very good people.

Now one thing that both Tyler and Bill—I think, again, another fault you might say—is that they wanted things to look hopeful and successful. It was hard to get them to say, “God, you know that's a screwed up situation.”

I remember one time we had a very junior economic officer—one of my guys—who took a two or three week trip around the southern part of Korea, which was not a very pleasant place to be in those days, down in Pusan and that area—things were pretty desperate economically. And he talked to a lot of ordinary Koreans—just sort of the man on the street, or the farmer, and so on—to get a feeling for, you know, “how was life treating you, and do you have enough to eat, and are you getting your fertilizer that we import?” And he came back with a very negative report, and this was after the AID program had been going on for some years. And there was a lot of food in the system that we'd brought in; a lot of fertilizer; and the basic things. And there was a distribution system. The fertilizer was supposed to get to the farmers in an equitable way, and so on.

He came back saying there were a lot of people out there next to starving to death, because the food wasn't getting to them. They had a hard time getting seed and fertilizer, because the money lenders had a strangle hold on them, and the interest rates were so high that once you did raise and sell a crop—the money lenders would run off with most of it, in payment for the last round of supplies, and so on. So it was a pretty desperate

situation. Well, the AID mission people were horrified by this report. They said, “It can't be that bad.” They wanted to show that progress was being made; maybe they really felt it was. But essentially, in those times, it was pretty hard to see any real progress.

You know, the refugees from the North, during the War, numbered a couple of million, I guess. Seoul, and all the urban areas, were just overrun by refugees living in tents, and shacks, and some out in the street. Those people had a tough go of it; there's no way of glossing that over. But I think the AID people did have either a misconception, or they just wanted to convey the impression that things were reasonably well.

Q: This is, of course, a bureaucratic problem that you almost always have. What happened? Did this report go in?

CRONK: Yes, it went in, and it caused a little stir back in Washington, but I think essentially the analysts in the Department, and elsewhere, said, “I guess that's the way it is.” They had seen enough that it was no great shock to them.

Q: Not to dwell on this, but did AID make any effort then to go out and check themselves and see that the distribution system, to which we were supplying at the upper level, was really working at the lower level?

CRONK: Well, the technicians pretty well knew that the system wasn't functioning very well. If you take the fertilizer thing, for example, it was quite apparent to anybody who'd made a field trip that some people were getting it and some weren't; and the money lending business was a very important problem.

To Bill Warren's credit, they tried to devise a system whereby counterpart funds—the proceeds of sale of food, for example—would go into some sort of farm credit system. I don't have any clear recollection of that, but my feeling is that probably didn't work very well, either; because the whole system was pretty rotten. All the politicians and

bureaucrats had their hand in the till, and poor people like the farmers didn't have any political clout, and they probably continued to end up with the short end of it.

But the fact is fertilizer was brought in and it was used.

Q: In the long run, at least, it was being used and something was happening, though the system was poor.

CRONK: Yes, the system was kind of [inadequate]. And the embassy, in fact our economic section, ran the PL 480 program—which as you know, is surplus foods that were . . .

Q: That's Public Law 480.

CRONK: Yes, Public Law 480, which—I don't know if it still exists or not, the program—but it was a very important part of our AID program back in the late 40's and 50's; where surplus American products were sold for counterpart funds to almost any developing country that needed it. We had a sizeable program in Korea. We tried, you know—with a very small staff—to ensure that it was properly utilized, but it was impossible. But we comforted ourselves by saying, “Well, we brought in 100,000 tons of wheat, and it's gone. They didn't pour it in the sea. So we are feeding the people somehow or another.” But the commercial side of that was beyond us.

Q: Turning to your next assignment, you went to Bonn as economic counselor from 1961 to 1965. You seemed to have been touching on America's—speaking from the 1980's point of view—some of America's major competitors, and major successes: Japan, Korea, and Germany—all of whom have become power houses in the economic, commercial world. But at that time when you dealt with Japan and Korea, that really wasn't apparent—that they'd be there. But Germany it must have been. Particularly at the time you were there.

CRONK: Yes. By the time I got there Germany had made it, in a sense—commercially. The AID program was zero; I don't even think we had remnants of an AID mission. We had a MAG—Military Assistance Advisory Committee—but it was all commercial sales, very sizeable. The Germans were back in the military business in a big way. So the problems were completely different; dealing with a developed country, and one that had just had the bit in their teeth going like crazy.

The common market had been established a few years before that, and one of our primary jobs then was to figure out the implications of that for the United States; and to try to make sure that the common market did not discriminate against American products. The famous case was the so-called chicken war.

Q: Oh yes, were you there during the chicken war?

CRONK: I fought the chicken war.

Q: Could you explain the chicken war?

CRONK: I'm a veteran of that! Well, we could, at that time, produce chicken through a massive scale production scheme, for example, in Georgia—which was one of the centers for it; and we could land backs and necks, which were the favorite products of Germans. They liked to make chicken stew out of it, or chicken soup. As I recall, we could land backs and necks in Hamburg for about 35 cents a pound—US, without any subsidy or any government involvement at all. The Germans, on the other hand, produced chicken on a very small scale, through a family farm; throwing the corn on the ground and they would scrounge around to eat it, as our farmers did 50 years ago. The best that they could do—subsidizing the farmer, and all that—was about 95 cents a pound.

Q: So it's 35 cents to 95 cents.

CRONK: And then they'd tax the difference. An import duty was levied; I think they called it a differential tax or something like that—maybe they had a nicer word for it, that hid the motive. But they more than taxed the difference, so that our backs and necks were a little more expensive than the German ones. Of course, this was sanctioned by the common market; it was a scheme that others participated in, but the Germans were the main offenders. We fought like the very devil to get that tax removed, or reduced, pointing out that there was no long-term economic benefit to the Germans to produce things that worldwide were worth about 1/3 of what they were paying their farmers—the farmers ought to do something else, or get off the farm, you know. But that was certainly an offense to any economic principles.

But we fought and we lost; they just would barely talk about it, because it was a political no-no to do anything that would be detrimental to the German farmers, who were—although small in population, as our farmers—they were important politically. But that was an example of the system that the common market had [sanctioned].

Q: What did we have as a gun against this? Did we retaliate? Did we make noises?

CRONK: We made loud noises, at all levels. It was a matter of persuading them; we had no AID program to threaten—nothing that we were doing for them.

Q: How about cutting down on the sale of Volkswagens? Because the little Volkswagen bugs were all over the United States at that time.

CRONK: No real thought was given to that. The Germans were our allies, and our friends. We had poured billions into the post-war development, and so on. Adenauer, who was then the chancellor, was well-liked—a wonderful person—and we were, for good reason I think, quite gentle with them; because they meant so much to us. The Berlin Crisis had ended just a bit before I got there.

Q: This was when the Berlin Wall was put up?

CRONK: The Berlin Wall, and they didn't allow any service transport, so we had to haul coal and everything else in by air. Then that was a great triumph for the Germans, and for us. So we weren't about to hit them over the head on chicken! It was sort of chicken feed. But it got the attention of the Secretary of State, and the Secretary of Agriculture, and a lot of congressmen—particularly from the chicken states. So we spent a lot of time on things of that kind.

And the common market brought, to the fore, a lot of rather discriminatory policies that we hammered away at. We had a GATT round that . . .

Q: That's a General Agreement on Tariffs and Trade?

CRONK: Yes. We were members of the GATT, as the Germans were; the GATT round must have been concluded about 1964. Mike Blumenthal, once Assistant Secretary of Treasury, was the chief US negotiator. And Mike would come through about once a month. He thought the Germans were key to the negotiation, and I think to a large extent they were. They had more influence there than the French, and British,, and others. They were very central to the whole effort, so Mike paid a lot of attention to them. Plus the fact he spoke good German, so he kind of enjoyed coming.

So our economic section devoted a lot of time to the GATT negotiations, talking to the Germans about particular issues, and helping Mike understand the German position. I would say that was—for a couple of years—25% of our time.

Q: At that time the commercial side of our diplomatic arm was within State. Were you involved in promoting American goods, other than chickens?

CRONK: Yes. We had a commercial section of two people. We had a trade development office in Frankfurt—it was a trade center, I guess. We'd have trade shows, of particular

areas of trade, like computers and business machines; and then the next month it would be something else. And that was very active; we supported it, but essentially it ran itself. It was out of the commerce department; State I don't thing even had any employees in that operation. But in the embassy we had regular commercial section.

Q: You were saying, at the embassy . . .

CRONK: Yes, at the embassy we a commercial section, headed by a fellow out of the Department of Commerce. But we had Foreign Service officers assigned to that section. I think all together just two professionals—it might have been three. And then quite a few local folks.

I've always felt that the Department of Commerce did a poor job in commercial representation, say at a governmental level. That Frankfurt operation, which was essentially running the commercial show, they did a very good job at that; organizing the show, publicizing it in advance, and handling the visitors and so on. I couldn't fault them on that kind of promotional effort.But for example, on the chicken war—which is essentially a commercial problem—their real understanding, and their contribution to that was negligible. And I just never felt that the Commerce Department should be completely in charge of our commercial interests abroad; I just didn't think they had the right kind of personnel, or leadership, or understanding in depth of these problems—which often had a political element to them.

I suppose the State Department is often criticized for ignoring commercial problems, because there are overriding political considerations, but in fact that's true in many cases. You can't look at one particular problem—say the chicken war—in isolation of the environment in which it was happening. And our political relationships with the Germans, at that time, were very important—and remain so.

Q: We were also encouraging the common market, too, weren't we?

CRONK: Oh yes, indeed. We thought the integration of Europe was a good thing, and we encouraged it, but we wanted to be careful it didn't become a completely sealed off market; we wanted it to expose itself, to open free trade as much as possible. And hence our keen interest in the GATT round, which was to reduce their barriers. The common market had uniform, internal barriers—or worked down to that level—and a common, external tariff. They worked toward that gradually over years, but that's the way it is now. And we wanted to make sure that that external tariff was gradually reduced; and the GATT was the mechanism for doing that.

So I think the formation of the common market got us more and more interested in the success of the GATT round, because that was the way to minimize the commercial impact of the common market. Because it had preferential treatments inside, no tariffs at all—which affected a lot of our markets.

Let's say, there was a tariff between France and Germany on widgets, at one stage. We could perhaps compete in the market where there was a tariff—say a German tariff—against them. But when those tariffs were eliminated, of course, French-German trade would flow freely, without any kind of governmental barriers; whereas, we had to penetrate—get over—a tariff wall. So, the common market certainly hurt us in many ways, and we were trying to minimize that at the time; and also work towards a gradual reduction of tariffs so that the common market would not substantially impede our exports.

Q: We talked about commerce. How about the Department of Treasury? Treasury usually doesn't play much of a role, except in the very big countries; and of course, Germany is one of the big countries. Did you find that the Department of Treasury people were coming over and running their own program, or were you really unified with them?

CRONK: Well, Stew, it's sort of both ways. We had a treasury attach#, a fellow named Bob Bee, who went on to be senior vice-president of Wells Fargo Bank; and then he was chairman of a British bank—I've forgotten the name of that. He was well thought of

in banking circles. But he was the treasury attach#, I think, during the whole time I was there. He was a team player, completely. He and I were very close friends, and good professional colleagues. So anything that was happening—all his reports went through me. Anything that was happening on the banking scene, Bob would tell me about them and we'd make joint calls often.

But now the Treasury Department itself, at that time, was trying to break its ties with the Foreign Service. They wanted to do things—what they conceived of as their things, vis-a-vis the central banks and the banking system—with minimum State Department involvement or interference. Doug Dillon was Secretary of Treasury for a good bit of that time—a wonderful man.

Q: He's, incidentally, paying for this particular program I'm interviewing you on!

CRONK: No one ever faulted Doug Dillon for feeling this way, but he was a very strong personality, and wanted to have his department play an important role. We had George Ball on our side for a good bit of that same period. I don't know to what extent they overlapped in time, but George looked after our side of the equation very effectively.

But you did find the Treasury Department conducting some operations with a minimum of informational exchange with us. They would send over people, for example, on military sales. They were very much interested in it because it had balanced payments implications. And they, I thought, were doing some rather slight-of-hand things, like getting pre-payments on some orders, just so that it would go into the balance of payments figures earlier—to make us look better. I thought that was kind of nonsense, but they played that kind of game, and didn't really bring us into it. We knew; Bob Bee knew, and would convey to me what had happened, but they did have this yen for doing it their way and not involving us.

You saw the same kind of bureaucratic competition with Commerce, and Treasury—Agriculture to some extent. I always felt that Agriculture was pretty weak in its personnel.

I think they got the leftovers when people applied for jobs; so they were never effective competition. I've always felt that Treasury had the best people, strongest staff of any department—other than our department—in the Foreign Service. I admired them all, because they were well-picked, and they always had strong leadership; knew what they were doing. So it's pretty hard to fault people who were doing their job and doing it well.

Q: I'd like to move on to your next assignment. Your next assignment was as Deputy Chief of Mission—or DCM—in Canberra. You were there from 1965 to 1969.

CRONK: Yes, that's right.

Q: And you were there with two ambassadors, both political appointees: Edward Clark from 1965 to 1967; and William Crook, who was there just for 1969.

CRONK: Yes, both from Texas.

Q: How did you get this assignment as DCM to Canberra?

CRONK: Well, I had stayed my full limit in Germany, so I was on the list of available people. The story is, that Ambassador Ed Clark, who was a political appointee—LBJ's personal lawyer in Texas—he went over to this. He was a strange operator; he didn't believe in many rules. He would just do things the way that appealed to him. He was in the White House once, talking to someone—certainly not the President—but someone about getting a staff together. Jack Lydman was the DCM at the time, and due to go out—in fact, I guess, overdue.

He said, “I need a DCM,” a second man; who have you got?

They said, “Well, that's State Department's business.”

“Can't you find out for me?”

So somebody called over to the State Department and said, “Send us three guys that are ready to go, who are at the right level, and who you think might be suitable for Australia.” And they sent my name over—a file, and two others. Clark went through and picked me, without any consultation with the Department. He told the White House to call the State Department and say he had picked me as the DCM.

The Department didn't like that, because they would prefer to make the choice, and discuss it with Clark; but he had his way. So they then took the actions to assign me. So I was picked by the ambassador, in that case.

Q: The relationship between an ambassador—especially a political ambassador—and his DCM (or her DCM) is always dependant on the particular personalities. What did you do?

CRONK: Well, I sort of inherited the institutional bias against political ambassadors; but in the case of Clark, I would say that he was the right choice at that particular time. He was a successful lawyer and banker in Texas. Sir Robert Menzies, reportedly, had told President Johnson, “Send me an ambassador who knows your phone number,”—in other words, has some clout in the White House.

LBJ thought of Ed Clark; so he was at the very top in Australian political life. He was well received, because in effect he'd been asked for—not by name, but by general description; someone who was outside of the professional service, and someone that the President knew personally.

So he had no problem getting into the political circles in Australia; he had the carpet laid out for him. Now I was a bit apprehensive, however; I wondered to what extent he would try to do things without consultation with the staff, and so on—would go off on his own bat.

It was a time of some sensitivity with Australia, because they were involved in Vietnam with us; there was a lot of local opposition to that. And problems periodically came up.

We were trying to get the Australians to increase their commitment; and I think they did, modestly, at the time—during our time there.

But that was sort of the central issue between us. It could have been one that if the ambassador said the wrong thing to the wrong crowd, or gave newspaper interviews that reflected the wrong line—so I was a little nervous about it.

But anyway, Clark is a very wise man, I think. And he said, more or less at the beginning, “Now, you're from the professional side. I'm not, I'm a business man, I'm a lawyer. I want to make a lot of speeches, and meet the Australians, and travel around a lot. But as far as the nitty-gritty of the diplomatic business, that's your bag. You let me know when I'm supposed to do something, and then tell me what to do, and I'll do it.” He said, “Because, I really don't know much about these things—Vietnam and so on. I think I'm wise enough to know that I need some help.”

So that was a good attitude. He let me, in effect, run the professional side of the embassy; and he did, indeed, a lot of speechifying. He was sort of a funny man, but always had a point or two to make. And he went over extremely well with the people in the general population, except the Vietnam protestors; and I don't think he ever confronted them, really. But the business men, and the political leaders, and so on—he was a hit.

I got along extremely well with him; I only had one real argument—run-in—with him. That was when LBJ came over the first time—he actually made two visits while we were there.

The first one was an official visit; at the end of about a three or four day stay, we had organized a big barbecue with hundreds of people to attend. I was the liaison with the foreign office, or with the prime minister of department, making sure all the details were agreed on, and so on. There was one issue that we locked horns on, and that was to invite the local member of parliament, who happened to be from the opposite party. He was kind

of a negative SOB on things like Vietnam; he was not a friend of the ambassador's or the United States—let's put it that way.

But the people in the prime minister's department said, since this event was going to take place in the national territory—the ACT, the Australian Capital Territory, which is like Washington, DC—it was only proper, in fact it was important that you invite the local representative. Even though the ambassador might not like him, that had nothing to do with it, he had to be there.

So I kept putting this guy's name on the guest list, and every time Clark would cross it off. His crossings became more and more apparent, you know with thick felt pens. Finally, I went in there one day and said, “Mr. Ambassador, you don't like this fellow but we just have to invite him, because the prime minister's office is insisting on it. It would get in the press, and so on, that we were snubbing this guy. He is the official representative of the territory.”

And he said, “Cronk!” I must say that he was very tired at this point, because the visit of the President took a lot out of all of us, and Clark was somewhat older. He was really worried about the visit, and tired, and irritable, and so on. He said, “Cronk, I want you to stop running my life. I don't want that SOB invited, and that's that. Out!” He more or less threw me out of his office.

I went in my office, which was right next-door, saying, “What the hell am I going to do now?” because this guy's got to be invited.

About two minutes later he came in and said, “Ed, I apologize. I never got mad at you before. I know you're right. I don't like this guy, but invite him, for god's sake.” Other than that, we got along marvelously.

Q: Well, it strikes me from what you're saying, this is the strong argument that is used so often for political ambassadors, but seldom really reaches is. One, that a political

ambassador can't have the President's ear. Usually you end up with a car salesman from some congressman's political district, who's ties are really very tenuous—to the President. He doesn't have the President's private telephone number, and it's just a political payoff. In this case, here was an important country at an important time, with somebody whom the President knew and respected. Did you find this gave you some clout that you might not have had, on certain Australian-American issues? Were there time when you, the professional diplomat, could use the ambassador to go to the President and say, "Look, we ought to do this, or we shouldn't do that, as regards Australia."?

CRONK: Yes, very definitely it helped, on both sides. In Australia, for example, we would get these urgent, eyes-only telegrams once in a while—maybe every month or so. Something that directed the ambassador to see the prime minister about this, and it had to be done as quickly as possible, and they hoped for an affirmative response, of course. And the relationship was so good—because he was a political appointee, I think, and had LBJ's ear—I could call up the prime minister's principal secretary and say, "We've got a message and the ambassador would like the see the prime minister as soon as possible about it."

Sometimes we could get in in five minutes; he'd say come right over. And we'd march over there, more or less read the telegram to him or show it to him, and say this is the problem, and get an answer, come back, and write the response without clearing it with anybody. I'd write it and the ambassador would sign it, and it would be back in the Department sometimes within an hour. The response was almost always the one we'd hoped for.

Now, without Clark I think we would have had some difficulty. First of all, getting up to the prime minister we'd have to fight our way through the secretarial maze, and eventually get to the man; and perhaps get a more equivocal kind of response. But in this case it was instantaneous.

On the other side, we had a few problems. One with a big naval contract for one of these American installations out there; and the contractor went belly up—or virtually so. It

was a question of trying to get the US Navy to renegotiate the basic contract; and this dealing with the Navy would have been almost impossible. You know, a contract is a contract, and that's too bad if they went belly up—that's not our fault. But, again through the ambassador's intervention—people knew that he knew the President—we got that turned around. It was important to the Australians, particularly the prime minister.

Q: This is an Australian firm?

CRONK: And Australian firm who had built an American installation out there, and lost a few million bucks in the process. It was a big installation. So we got that turned around; the company still lost a lot of money, but in effect we'd helped save it.

There was also the sale of some F-111's that were negotiated, and I think the ambassador's involvement in that—and in bank financing of some commercial airplanes. The relationship, I think, did some good; it improved the effectiveness, because we had access. Even though it was the threat of the access more than the reality of it, people knew that Clark had some clout in Washington, and would hence take our recommendations a bit more seriously than if he weren't there.

I certainly agree with you that a lot of political appointees—and I've known a few—are disastrous; and a few of them, you know, you've got the Mike Mansfields and others that are absolutely superb. If care is taken in appointing these people, they can make a tremendous contribution in particular instances. Clark was a good appointment, at that time, for Australia.

Q: Well, your principal problem—that you were dealing with—was Vietnam; and Australia being a major player on the Western side, dealing with Vietnam. As DCM, were you involved in keeping Australia's commitment to Vietnam going, and if you were what were you doing?

CRONK: Well, you know you have a minister for everything; a minister for foreign affairs, for example. Then you've got a secretary, who is a civil servant—a senior civil servant, like the British system. So I was, in effect, responsible for dealing with the secretary, and then the area of people who dealt specifically with Vietnam; and with the chief of military staff, and people on the military side who were involved—the secretary of the Department of Defense, or Military Affairs. So I would, quite frequently, go over and have a general session with them about Vietnam—kind of hold their hands.

We had frequent visitors. Vice-President Humphrey came, and Clark Clifford came.

Q: Harriman came.

CRONK: Just everybody made the rounds of Australia, because they were important, at least symbolically to the war effort there. So we had lots and lots of visitors, who made the case for Australian participation in the war effort. And I would program these people, you know, on the prime minister, and the foreign minister, and the defense minister, and the principal secretaries, and so on. So I was always involved in those visits. Occasionally they would see the [governor] general, but usually more socially. Dean Rusk came.

Q: So you were really in one of those areas where there was great interest. Maybe because of Vietnam?

CRONK: Exactly. The commercial problems were not great; Australia is a small country in terms of its market. We had a few problems, but not many, and they were a good market for the size they were; I can't even remember any discrimination problems that we had with the Australians. They played it pretty straight.

Q: You had one State visit with the President—President Johnson. This was 1966. How did that go?

CRONK: It went extremely well. I think the embassy can take a good bit of credit for it, because the system seemed to be—I'd been through a few Presidential visits before: Eisenhower in Korea, and Kennedy in Germany. I think the tendency is for the people in the White House, and the hangers-on—you know, people who just come along for the visit—want to take charge of things; set the program, the times, and the people to see, and the social calendar. They want to assert their authority. That's okay.

But we took the initiative to develop a program that we in the foreign office, and the prime minister, and the Department thought was a sensible program; things he really had to do in terms of protocol—people he really should see. And some kind of fun events, things that it would be nice for him to see. In other words, we used our best judgement, jointly, to develop a program.

So the technique was, as soon as the advance team hit town—and Bill Moyers was the head of that advance team, I think, (He was in one of the two visits, in any case.)—to sit down and, in effect, say, “All right gentlemen, we're here to develop a program. We don't have much time to do it, and to save time we have developed this program.” We had enough copies to give everybody one. In other words, we kind of took the initiative for beginning to develop the program. I think that kind of took them back, but they saw the utility in having some advance work done—even before the advance team came.

So we were instrumental, I think. 90% of what we wanted to do was in fact worked into the program—worked out with the advance team; and then when the visit came the program was pretty well developed. There wasn't any embarrassment, you know, of the Presidential team pushing around. They did it essentially our way, the way we and the ambassador thought it ought to be done.

And I guess that was appreciated. [Bill Moyers?] Anyway, the President, and the group did not do anything that I think anybody could say was offensive—to make the public, or politicians, or anybody unhappy with the visit.

Q: President was sometimes, sort of, an elemental force. You were never quite sure how he would go. But I suppose, basically, in Australia he was in home-country, wasn't he?

CRONK: He was their kind of guy, and had very good relationships at the top. As far as I can remember, there's only thing that we did against the wishes of the Australians; and that was to have him stop at a memorial to the American war effort—World War II.

It's sort of like a mini-Washington Monument; it stands up in a rather prominent place. I had proposed that we have him stop there and lay a wreath, or just get out and read what was written, and it would take about five minutes. But the schedule was extremely tight, and he was due for a parliamentary lunch right at that point. There was almost zero time to get from point A to point B. So they said no, you can't do that, there's no time for it.

So we crossed it off the program. But the fact was, they were going to drive very close to that monument on the way to the Parliament House. So I told the ambassador, I said, “Ed, you might just keep this in mind. You're going to drive near the American memorial; the Australians don't want the President to stop there—they just don't think there's time—but you might just point it out to the President, and say, “See that, Mr. President? That's the monument to the American soldiers.” Suggest he might want to stop there.

And he did exactly that; Johnson said, “Let's stop, for god's sake.” Instead of spending five minutes, they probably spent ten. It made them a little mad, but I said, “It's not my idea.” You know, I had deniability. But that was the only kind of thing that was off the script, and everything else worked just fine.

Q: I'd like to dwell more on this, but I think we ought to move on. You left Canberra in 1969, and you served in the Department as a Deputy Assistant Secretary for International Trade Policy, from 1969 to 1972. Just what does this mean? What did you do?

CRONK: Well, the Department, at that time, was sort of paramount in trade matters. The authority had not gone over to commerce at that stage; it didn't for some years. So we had

a fairly large staff; I was one of, I guess, five deputies in the Office of Economic Affairs. Phil Trezise was, during most of that time, the Assistant Secretary; and I'd known Phil off and on for some time.

My job, specifically, was any international problem—having to do with trade—sort of came across my desk. The principal ones were GATT—and we weren't actively into a GATT negotiation, at that time—but were looking forward to the next round. So preliminary discussions of the next GATT negotiations were something important to us.

We had an office of East-West trade, which in effect, had licensing authority—along with commerce and defense—on exports to behind the iron curtain. That was an office of about four or five professionals, and it was pretty technical; you know, examining what a product really was. Like a computer—how sophisticated?; do the Russians already have it?; is there any way that we can limit their access to the technology?; does it have security interests?; and so on. But all that had been talked about, and debated, and more or less agreed to over years—with discussions at the Pentagon. So I didn't get, personally, very deeply involved in that.

We were, of course, interested in the common market, and how it was evolving; and through our embassy reporting, try to analyze the impact on American trade.

We were increasingly involved in Japanese trade questions, import restrictions, essentially. Some investment restrictions, but I was the trade-guy; so things like rice, and oranges, and anything that was competitive with a Japanese product was, in effect, discriminated against pretty effectively by the Japanese. And we, periodically, raised the roof about that. And we're still doing it. We didn't win many of those wars; minor concessions, and the Japanese have been making minor concessions ever since, but the problem remains. So we spent a good bit of time worrying with the Japanese.

I had a particular interest in, and spent, therefore, a disproportionate part of my time on the problem of generalized tariff preferences for the developing countries. The scheme

being that we would reduce, to zero, a wide range of products that are imported from the developing country; so that this would give them an impetus for development, and for trade, and maybe reduce their dependance on foreign aid—make them more self-reliant. But the general agreement—the generalized preferences scheme—that was very actively discussed in those days. We had all agencies of the government: commerce, agriculture, even defense had an interest, the labor department, and so on. So that was a big part of it.

We had frequent meetings in Geneva, and sometimes in London, and occasionally in Latin America. There was then, and I guess still exists, an organization of the developed countries; it was an economic organization of underdeveloped countries. Everybody was a member, except the Block. We would get together, periodically, basically in Geneva, and discuss all manor of trade problems that existed between the developed and undeveloped world. A lot of this had to do with the tariff preference scheme, but other things came into it as well.

And I spent some time with the people who ran Latin American affairs, in their discussions through the Organization of American States—of trade problems between the United States and Latin America. That took an increasing amount of my time, because one of the main questions there was the generalized preference scheme; and the Latin Americans were always trying to pressure us to put this product in, and so on—so that they would benefit more directly. But I became almost a member of that bureau, for a time, going to their staff meetings.

Q: That's ARA, the Latin America Bureau.

CRONK: Yes, ARA—going to their staff meetings, and parties, and going over to the building where the Organization of American States operates; sort of chairing some of the sessions that dealt with trade problems. That took some time.

Well, that was a very full plate, I must say. We didn't set any records in accomplishment, I guess. We never made much of a dent on the Japanese trade matters. The scheme of

generalized preferences was alive and well, but not enacted—not agreed to—when I left; so that was sort of a holding action. We couldn't get a political decision, on our side, to go ahead with it; although, Lyndon Johnson had first announced this back about five years before I arrived on the scene. So there was a political commitment on our side, at the top, but no decision as far as congress was concerned—to actually put it into law.

I find, just as a general comment, that: I had been five years in Korea, a year up at Harvard (my year off, War College year), four years plus in Germany, and four and a half years in Australia—all in a string. I had kind of lost my bureaucratic base, so to speak. And coming back, found it maybe a little difficult to get in the groove—in terms of knowing people, and knowing how things were done. I think I did a pretty effective job, but my feeling is it would have been better if I could have had a break in the middle of my overseas assignment. It was about 20 years, all together.

Q: Well, there is a feeling that there is something called, State-craft, which is essentially how to operate within the Department of State, and dealing with others. They're trying to teach it at the Foreign Service Institute. But, really this is learned by periodically coming back to Washington; it's a whole different culture in a way.

CRONK: Yes. I think what the Department wanted me to do was after Germany, come back. But as I explained, Ed Clark got in the act, and he said, “I want this guy as my deputy,” and that was it! So I had more overseas time than the Department really wanted. There's some kind of a rule about 15 years, but I went well beyond that.

Q: Right. Now we come to your appointment as Ambassador to Singapore, from 1972 to 1975. How did this come about?

CRONK: I was in the Department, again beginning to become ready for another assignment. I didn't ask for Singapore, or even ask for another assignment. It was a little early; I guess I had three years in the Department, something like that. But in any event, somebody marched in one day and just told me that I had been, sort of tentatively,

selected for this assignment. And they pointed out that, in part, it was because Singapore was then becoming a very important economic base for us—there was lots and lots of American investment there. Trade was not so important, but they needed someone who could understand these investment problems, and could deal effectively with American business. So that was one reason that my name came up for this assignment.

I was about ready to roll on, so I said, “Fine, let's go.” There was one period: Some junior officer—I've forgotten the name, Burke, I think—in Australia, had lodged a grievance against me, for interfering (he said) in a visa case; a visa for an Australian coming to the States. He was the junior consul in Sydney; of course, I was in Canberra. Basil Cappella was the consul general in Sydney—a good friend of mine I'd know for a long time.

The charge was that I had improperly insisted that this guy get a visa, when this officer had decided against it. And the reason he had decided against it is that his wife, some years earlier, had had a nervous breakdown—or had seen a psychologist or something. And he decided that she was unfit, or a risk, or something.

Well, to make a long story short, I got a long letter with lots of enclosures—from the doctor, and the applicant for the visa, and all that—explaining it all. So I called Cappy and said, “You know, I think you ought to get Burke to take a second look at this case. It sounds like there's a pretty good argument on the other side.” That was the extent of my involvement, in which case I guess Cappy did look into it, and decided the guy ought to get a visa, and off he went.

You see, this junior officer had resented the fact that his decision didn't, in the end, hold up. But the Department looked into it, and after six weeks—or a couple of months—they didn't see any grounds for a grievance, so off I went.

Q: Well, speaking as a former consul general in many places—this was the 1960's, I suppose, when he was doing his thing. The junior officers got very impressed with their own judgments, and abilities.

There's a question I forgot to ask, but I think it is important. Canberra, the capital of Australia, seems to be a rather isolated place. As the DCM, how did you use the consulates in Australia? I think these would be very important posts, compared to other places, say in France or England, where your capitals are the main centers.

CRONK: On general, political analysis, we didn't use them very much—I'm afraid to say. The political parties were all headquartered in Canberra; the political action was all there. The parliament, more or less, went year-round, so that we had access to the parliamentarians; they were readily available for cocktail parties, or lunch, or whatnot. So we had a pretty good fix on the national, political scene, and things like Vietnam and so on.

We got all the national papers: “The Sunday Morning Herald”, “The Melbourne Age.” There aren't that many; about four or five papers—all of them reputable ones. So those were read and analyses by our political section. So we didn't really use the political consulates a whole lot, for basic political reporting. And they had very little capability; they were staffed, basically, for visa work, and for commercial promotion.

We had, at least, annual meetings of all the principal officers and usually a couple of people from each consulate would be invited to be there; it would be either in Canberra or Sydney. So it was convenient for all of us to go down.

The ambassador traveled a lot, and often took me with him, or the political counselor, or our economic guy would travel along. So the embassy met with the consuls—and the consuls general—quite frequently on these trips, in their own backyard, so to speak. The ambassador, normally, would give a speech—meet more prominent citizens. So we had a pretty close-knit operation. We used the telephone a lot; if there any particular problems

we could solve it quite readily. And these guys would come individually to Canberra, now and then; so we felt we were in touch with them.

The commercial work pretty much went its own way; and the consular stuff—we weren't involved in that, essentially, at all.

Q: Okay. When you went to Singapore, did you have instructions—or goals? What did you want to accomplish? And did you get any instructions from Washington, telling you what you were to do?

CRONK: I got very little guidance from anybody at the Washington end. Singapore being a small place, there hadn't been many officers in the Department who had actually worked there. The people on the desk—I can't even remember having a conversation with them. I talked a bit with the people in commerce, and in treasury.

I met with Spiro Agnew's chief of staff once. Essentially, he wanted to tell me that our former ambassador there had been unhelpful to the Vice-President; and I'd better have a different attitude. It was a fairly threatening conversation. Agnew did, in fact, come once during my time; it was a good visit—no problems. But there was no guidance, in terms of substance, from that quarter; this fellow didn't know anything about it either.

So I went pretty much with nothing much to go on. People knew about Lee Kuan Yew, the prime minister; that he was a tough cookie, honest, hard working, devoted to the cause of Singapore, ran a very tight shop, not very socializing. He wasn't a particularly friendly person to anybody; he was hard to get to know, personally. But he was basically kind of fair; he wasn't doing us in on anything. He was a difficult personality, but a brilliant man, and really stood up for Singapore effectively. So it was sort of a warning: don't take anything for granted; you've got your hands full with this fellow! Be careful.

So I kind of went with a blank sheet of paper, feeling my way as I learned my way around.

Q: Well, do we have any interests in Singapore? You mentioned a commercial center.

CRONK: I guess there are two—maybe three things. One I've mentioned, the business relationships; to make sure that we were equipped to give good, useful advice to American businesses that were inquiring about the prospect of investing there. That we knew the local scene, and could give them some tips.

Secondly, to make sure they understood that the way to succeed in Singapore is by playing by the rules; no graft, no payoffs, no monkey business. The Singaporeans were very careful to approve of an investment on certain grounds, that they would do thus and so—in terms of employment, and hiring people for executive positions, and so on. They weren't abusing their position, but they were laying it out pretty clearly—what they expected, and how they expected a foreigner to operate. My advice, always, to an American company was, “For god's sake, don't violate those rules, because this guy Lee is tough. If he finds you doing anything that he doesn't approve of, you might be out on your tail.”

Unlike some places in the Far East, where a little payoff here and there paves the way, in Singapore it paves the way for your departure. So close liaison with the business community, through visits to almost every—there were literally hundreds of them around, these little plants. But to know every CEO—Chief Executive Officer—or whatever they were called, and to be part of their meetings. I spent an enormous amount of time with the American business people; and we succeeded in keeping our skirts pretty clean.

Q: There was one problem with Litton Industries, wasn't there?

CRONK: Not in my time.

Q: Yes.

CRONK: And we had a couple of strikes, but they didn't really amount to much. But it was potentially a difficult kind of place, if you didn't know precisely what the Singaporean government wanted, and then tried to see that they got it.

Q: Is there much political life there?

CRONK: No, very little. But let me talk about the other areas where we had an important interest.

Secondly, the Singaporeans did not take sides in the great East-West division—publicly. But privately, of course, they were on our side. They would say, “Now, you can do this, but don't ask us or say anything about it.”

And it was fairly important. This was, again, during Vietnam—in the declining days of Vietnam. And they were an important port of call for fueling, and for repair of vessels, and for provisioning, and so on. The game plan was not to make much of this; and make sure it happened quietly, and efficiently. The Singaporeans do everything efficiently. It was good business for them, but they didn't want it dramatized.

So that was an important role for us. And we had a lot of sort of liaison types, that would examine aviation fuel going up to Vietnam; make sure it was the right stuff. It would come from the Middle East, and it would stop in Singapore for a final check. We had surplus sales office, and so on; a lot of auxiliary—kind of military types—to make sure they played the game, and didn't screw things up, stayed under cover and didn't go giving speeches or anything.

That was a useful installation for us, during the Vietnam War. I guess the third was that ASEAN was evolving.

Q: ASEAN is?

CRONK: Organization of Southeast Asian States—Association of Southeast Asia Nations. It was a very tentative organization, at that time. They had meetings a couple of times a year, at the foreign minister level. Singaporeans were never terribly active in it.

For one thing, they weren't getting along with the Malaysians terribly well, in those days. Lee Kuan Yew made a play for an important political role. There was a unification effort, way back before my time, between the two. Lee made a tactical mistake by making it apparent he was going to run—or have some Chinese Nationals run for political office—on the Malaysian side. And the Malaysians thought if they let this fellow run lose, he's going to take over Malaysia before we know it. So they dissolved the partnership. And there was a little bad blood, or lack of effective cooperation, at that time between the two.

And the Singaporeans kind of looked down their noses at the Indonesians, because they're all corrupt. You know, they were saying kind of naughty things about their neighbors; and it was quite apparent that they weren't in there trying to do a whole lot with the organization. It's evolved, I think positively, since; it's more of a political pressure group—discussion group.

But we had an interest in seeing it evolve, and to make sure we knew what they were up to, more or less. And the Singaporeans were somewhat forthcoming; they didn't give us minutes of the meetings, and that sort of thing, but we kind of kept track of it. And of course, all the other ambassadors were doing the same thing in their countries. So we could kind of piece together what ASEAN was trying to do.

But in the early stages it did very little; in part because they were trying to mix apples and oranges. There wasn't the great common interests, that say the common market had. Some of them were competitive, and just did things that weren't of common interest to the parties. But we watched that; that was a fairly important part of our role. That essentially was it, I guess.

Vietnam was going on; the Singaporeans did not, in any way, want to be involved in it. But certainly were hoping we would beat the hell out of the North, and carry the day.

We had a fairly big refining industry in Singapore—American and British controlled, essentially. Mobil, for example, had a huge refinery there. And we were interested in making sure that it was viable and well-considered by the Singaporeans.

One, not exactly amusing, crisis we had was during the oil embargo. Since Singapore was kind of an important petroleum distribution center—it didn't produce any petroleum, but was a major refining and distribution point—they wanted to stay on the side of the angels, which meant the Egyptians and the others in OPEC. So they told us—told me—that hence forth, until the crisis was over, (they essentially told the Egyptian ambassador this, and he informed me) they would cooperate with the Egyptian embargo, which meant no fueling of American military aircraft, or naval vessels.

Q: This is what year?

CRONK: Must have been 1974, I would guess—right about in there. So what the OPEC countries were telling everybody was that the Americans were the bad guys, and their friends would not assist them by fueling their military vessels and aircraft. And they told that directly to the Singapore government, that, “If you want to get along with us, tell those Americans to stuff it.” And Singapore was important to us, in that regard—an important fueling base.

So the Singaporeans were in a box, because they didn't want to impede the war effort; but they relied on the Middle East for at least 3/4 of their raw crude. And saw that if they didn't cooperate with OPEC, the oil industry would be effectively shut down. So they had their national interests involved.

So the game we played was . . . There's a back channel on the north side of Singapore, where a lot of the warehouses, and loading docks, and repair facilities were. The British

had a terminal there; and the New Zealanders had a little something going, too. So, in effect, they said, “You know, what you and the British do, we couldn't care less about that. But just don't say anything about it. We're not going to question it, if you and the British work out an arrangement,” which we did. The British were able to get sufficient fuel up there, so our ships quietly snuck around the back.

The kind of amusing point was that Mr. Reagan was representing the United States in Melbourne, at a World International Red Cross meeting, and had flown down there on a US military aircraft, and wanted to come back through Singapore for a visit. He was not the governor then, he was gearing up to run for the Presidency—but he was then out of office. He was a friend of Nixon's, and had considerable influence in the administration.

So, when we learned that it would be a military airplane, and that they were landing not only for a visit, but to refuel and go on to the Philippines, we cabled back and said, “Under the present embargo we can't refuel you at the main airport. It will be awkward to have the US military plane sitting there at the international airport.”

But they were insistent that they come, so finally we had to park the plane way out at a military base, and make sure its markings could not be read by anybody—in other words, sort of camouflage it. And then they would refuel it out there, with some hesitation. We were playing games like that.

Q: Well, what was your evaluation of President Lee?

CRONK: I came away feeling that he was a very strong personality. I would class him as a brilliant man; he read everything. You'd go in to discuss some problem, and something might come up in a conversation that was not relevant to our interests there; maybe something that was in The Economist (he knew I was sort of an economist). So occasionally he would raise questions, “Did you read this?” in The Economist. He really

had his fingers on all the right buttons, and never pleaded ignorance; he was on top of things, and spoke authoritatively.

He was not a man you could discuss a problem very openly with, because he had already made up his mind on everything. But a very strong, brilliant mind; a hard worker; totally honest; determined to have Singapore succeed under his leadership; distrustful of everybody. He often changed ministers for little or no reason. He was very authoritarian; and people were sort of—not afraid of him—but you really took no liberties. His staff wouldn't dare to deviate from his instructions one iota. He had total control.

Kind of a political tyrant; he had some opposition, but he controlled it so effectively—through control of the press, and radio. In the limited time of an election campaign they would announce an election, and then something like five weeks later the election would be held. And in the meantime it was difficult for any opposition group to hold rallies—there were limits on that. It was really an impossible situation for an opposition guy to get anywhere. There was some opposition in some intellectual groups and so on, but it wasn't very vocal and you'd have to know somebody pretty well before they would voice any problem.

But the fact is, he provided the people with what they wanted—jobs. They have a vast public housing program; these high-rise apartments, that are well-built, clean, well-run—you know, garbage pick-up every day. The place was spic-and-span. So I don't think he had much political opposition.

He'd turn it lose, and say, “let's have a free-for-all.” He would still win—I think hands down—because he has been an effective leader, and looked after his people.

My one criticism, well probably two, is that Singapore society, because of its restrictions on personal life—things like nightclubs, or organizations that might be fostering a political point of view, theater that was lively and sometimes critical—the fact that all of that was sort of forbidden, made it a bit dull. It's almost like living in a hospital, because everything

was spit and polished, and everybody knew their job and did it effectively, and not many people laughed. It wasn't much fun.

So I think the social fabric leaves a lot to be desired, particularly for an American going out there, saying “Gee, there must be more to it than this.” But that's his lifestyle; he's absolutely deathly on drugs, and you can't help but applaud him on that. But you know, the movies—you get only Walt Disney type; you don't get a very great variety of movies, or anything.

The other thing was his sort of preoccupation with his own power, and his unwillingness to allow divergent views to be expressed. I should have told him in my final session with him, that, “The one thing you really could do—to your benefit, and to the image of the country—is to loosen up a bit on the political scene; because you're doing all the right things. Nobody can fault you on corruption, and the place is well-run, everyone is working who wants to work. You've done it all, so why not just let it go and prove to the world that you are what you are, because you deserve to be.”

I never had the guts to say that to him, but that's I think the primary reason I would fault him. He's sort of a dictator, with some trappings of democracy, but essentially an authoritarian ruler who doesn't need to be; and could set an example to some of his Asian neighbors, that you can have a democratic society, and still run a very good country. You know, graft and corruption isn't a necessary part of it. It'd be a good lesson for the Indonesians to see this happen. But he's held on and I guess will pass on power to his son, who may go on forever.

Q: At the embassy, how did you feel you were served by your staff?

CRONK: I think in this case—in all the cases I've been involved in—I had a very close relationship with the staff. I've always felt that one's primary responsibility is to your people—the people who work for you. That if you're going to succeed, it's because they work hard and do what's expected of them. So I spent a lot of time there, and also in Singapore

and Germany, developing staff relationships; making sure everybody knew everybody else, and talked substantively—so there no secret little groups doing one thing, and offending another, or somehow interfering in the work flow.

So, I did have a lot of office parties, and walked around to the offices of officers and sat down with them. Said, “What are you working on? What about this? What will you do about that?” So close, personal relations with the staff, I think, is a beginning point.

And then we had a staff meeting every day—a country team meeting—every single day. So everybody knew that I was supposed to be running things, and there would be no kind of freewheeling. And everybody knew what everybody else was doing. It was a pretty good meeting in terms of everybody reporting, and that sort of thing.

And I think, you know, look after your people in terms of whatever few perks there are, and fairness in treatment, and being accessible all the time; that's sort of out of the book, but those things are important. I have known some people who may deal only with the next in line, and the people below that never saw them. So this is really important.

Q: How about both USIA and CIA? Again, this is unclassified, but were they able to operate? It wasn't a very big area in which to try to do anything.

CRONK: USIA and CIA?

Q: Speaking of the two other agencies.

CRONK: Okay. USIA, I think, in most of my experiences has done a reasonably good job. I think the key there—at least to my limited experiences—is making sure that they are part of the team, and feel that they're not just bringing in books, or running a little library, or putting out a news release; but that they see the overall picture, and talk with everybody else about objectives, and so on. And if you instill in them that feeling of being part of the total, then I think they perform pretty well.

I haven't been overly impressed with the quality of their folks, but that's spotty. Some are really super guys, and gals; and others sometimes not quite up to it. But on the whole, a pretty good operation, I think.

Now the CIA, I've known them pretty intimately—particularly in Singapore, and Australia. I had relatively little contact in Germany; some in Korea. I have always been impressed by the quality of the people they send abroad. Really, I can't think of one do-do in the lot; they're all bright, hard working, good guys. Again, it's a problem of making sure you're in touch with them, so that you know what they're doing, basically. They can screw it up in a place like Singapore.

Q: I would imagine it would be very tricky there.

CRONK: Yes, in fact—I don't know the particulars—but well before I got there, there was some problem of that kind; and it made Lee Kuan Yew mad as hell. But not letting them freewheel. They're going to do a certain amount of that anyway, because occasionally they get into something that only God needs to know—and probably they don't share it with him. But basically, keeping tabs on them. And I've never found them doing anything that, you know, I wouldn't go along with. They're pretty straight shooters. A good operation, I would say; the overseas part. I don't know much about the domestic side.

Q: One of the things these interviews ask is, what would you say was—looking particularly at your time as a senior officer—one of your major accomplishments?

CRONK: It would be regrettable to look back on a long career and not be able to say . . .

Q: It doesn't have to be a specific thing. It can be in a broader sense.

CRONK: If I can just skip through each assignment? I think, definitely, in the Japanese thing—which is pre-Foreign Service, but still the same sort of thing—the role we all played in keeping the Japanese afloat, and being benevolent, or at least being fair and generous,

was a major achievement. All of us contributed to that. I hope the Japanese are as grateful as they should be. But in any event, it was a good effort.

In Korea, I guess it was our relationships with the second layer—non-political—folks, in the Central Bank, for example. Many of them have since risen, and some of them even now have passed on or are retired. But our relationships with these guys, and our discussion of the real world with them—free of the political corruption that pervaded at that time. I think a lot of that stuck, and perhaps made some difference later on.

In Germany, it was harder because you're playing with the big leagues there. They knew the answers to their own problems; you had very little in the way of advice to give. I suppose the main achievement was in encouraging them to look at—since my job was economic—economic matters in a global, rather than a narrow, German or European context. Just hammering away at that fact—that they live in a multi-national world. We are important to them. And even though they want the common market to succeed, and want everything to go well in Germany, that there are external considerations that are important to them in the long run.

Now I don't know how much affect that had, but that was kind of the main theme that we kept hammering away at them. And at that time, with Doug Dillon in treasury, and a lot of emphasis on the so-called group of ten—these are the finance ministers of the main world powers—treasury was the center of our interests in this. But that was a good example of how the international financial system ought to evolve, and what its problems were. Because we were headed—and now, of course, have got total chaos. But at that time, we were still trying to hold on to some sort of sensible order in the world. And we in [Bonn] had a role to play, in trying work with the Germans to make sure that they played their part.

In the days of the old gold standard, everything was sort of automatic. The price of gold shifted, then the foreign balances changed, the prices changed a little bit, and everything was self-correcting. But we got to a system where exchange rates, and foreign

exchange reserves were the principal factors. Again, preaching the multi-lateral—the interrelationships of countries—was important. Now we weren't up front on that, but that was an important accomplishment.

In Australia, I guess, to continue the alliance—their participation in Vietnam; although that came to no good in the end. At least our mission was to nurture that relationship; to make sure it didn't, in any way, affect the basic relationship we had with Australia—to make sure it reinforced it, if anything. And to be reasonable in the sale of military equipment. We've got some important bases there now, and I was there at a time when those were being developed—the first conceptualizing of these things. That was important, because there was a vocal opposition to Vietnam, and to nuclear things, and to the United States. There still is important opposition to it. So it was a rather delicate thing, and I think we accomplished what we wanted.

So there are some positive things that I was a small part in, along the way.

Q: One last question. How do you feel about the Foreign Service, as you see it today, as a career for somebody coming in?

CRONK: I would definitely recommend it as a great profession. I sense that the morale of the Foreign Service isn't what it used to be. Maybe that's because it has grown so large, that it doesn't have sort of the personal quality that it used to have. You sort of knew everybody, and felt part of a mission. Of course, when I was there—early years, post-war feeling—we had great things to accomplish in putting Europe and Japan back together, and so on. So the mission was, I think, quite clear, and challenging.

I don't know if that challenge is there today, or not; the world seems to be such a hodgepodge of conflicting interests and so on, that it's hard to get any focus. It's the difference between a corner grocery story in the old days, and the big supermarket now. There's just too much going on, perhaps.

But if one wants to contribute to the American interests in the world, and do something useful and interesting with their lives; not make a lot of money, but a decent living at it—I would certainly recommend the Foreign Service as a good profession. It beats selling insurance by miles.

Q: Well, I thank you very much; and I appreciate this talk.

CRONK: I enjoyed it, too.

End of interview